

# Exhibit 249



DIVISION OF  
ENFORCEMENT

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Denver Regional Office  
BYRON G. ROGERS FEDERAL BUILDING  
1961 STOUT STREET  
SUITE 1700  
DENVER, COLORADO 80294-1961

In replying  
please quote  
D-03504

Direct Number: (303) 844-1116  
Facsimile Number: (303) 295-0538

November 21, 2016

**By Electronic Mail (msmith@smithcorrell.com) and UPS**

Mark L Smith  
Smith Correll LLP  
11766 Wilshire Blvd  
Suite 1670  
Los Angeles, CA 90025

Re: In the Matter of Alpine Securities Corp. (D-03504)

Dear Mark:

This letter confirms our telephone conversation of November 21, 2016. In that conversation, we advised you that the staff of the Securities and Exchange Commission has made a preliminary determination to recommend that the Commission file an enforcement action against your client, Alpine Securities Corp. ("Alpine"). This proposed action would allege that Alpine violated Sections 17(a) and (b) of the Securities Exchange Act of 1934 ("Exchange Act") and Rules 17a-3, 17a-4, and 17a-8 thereunder. The recommendation may involve a civil injunctive action, public administrative proceeding, and/or cease-and-desist proceeding, and may seek remedies that include an injunction, a cease-and-desist order, civil money penalties, and suspension or revocation of Alpine's broker-dealer registration pursuant to Section 15(b)(4) of the Exchange Act.

The action would be based on Alpine's practices relating to its Suspicious Activity Reports ("SARs") filings with the U.S. Treasury Department's Financial Crimes Enforcement Network ("FinCEN"), including that between approximately May 17, 2011 and December 31, 2015, Alpine engaged in systematic and/or programmatic failures with respect to its anti-money laundering/SARs program; omitted information about its clients—many of whom had significant criminal and regulatory histories—and their business from its numerous SARs; that Alpine often filed SARs only on the deposit of stock and failed to file required SARs on subsequent related transactions such as the liquidation or transfer of funds resulting from the liquidation; and that Alpine failed to timely file certain SARs within the required 30 days after the date the suspicious activity

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was detected. As a result, Alpine failed to meet its obligations under Section 17(a) of the Exchange Act and Rule 17a-8 thereunder. The action would also allege that Alpine violated Sections 17(a) and (b) of the Exchange Act and Rules 17a-3 and 17a-4 thereunder by failing make and keep and/or by failing to promptly provide to the Securities and Exchange Commission certain books and records relating to its business.

As described in Rule 5(c) of the Commission's Rules on Informal and Other Procedures, 17 C.F.R. § 202.5(c), we are offering your client the opportunity to make a Wells Submission. For further information, you may wish to review Securities Act Release No. 5310, "Procedures Relating to the Commencement of Enforcement Proceedings and Termination of Staff Investigations," which can be found at: <http://www.sec.gov/divisions/enforce/wells-release.pdf>.

If your client wishes to make a written or videotaped submission setting forth any reasons of law, policy or fact why the proposed enforcement action should not be filed, or bringing any facts to the Commission's attention in connection with its consideration of this matter, you should send the submission to me by Monday, December 5, 2016. Any written submission should be limited to 40 pages, and any video submission should not exceed 12 minutes. Please inform me by no later than Monday, November 28, 2016, whether your client will be making a Wells Submission. Any submission should be sent to:

Ian S. Karpel  
Assistant Regional Director, Division of Enforcement  
Securities and Exchange Commission  
1961 Stout Street, Suite 1700  
Denver, CO 80294-1961

If the staff makes an enforcement recommendation to the Commission in this matter with respect to your client, we will send to the Commission any submission that your client makes. The Commission may use the information contained in such a submission as an admission, or in any other manner permitted by the Federal Rules of Evidence, or for any of the Routine Uses of Information described in Form 1662, "Supplemental Information for Persons Requested to Supply Information Voluntarily or Directed to Supply Information Pursuant to a Commission Subpoena." Form 1662 can be found at: <http://www.sec.gov/about/forms/sec1662.pdf>; paper copies are available upon request. The staff will not accept any submission that purports to limit its admissibility under the Federal Rules of Evidence or the Commission's ability to use the submission for any purpose identified in Form 1662. Any submission your client makes may be discoverable by third parties in accordance with applicable law.

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If you have any questions, please contact me at (303) 844-1116.

Sincerely,

A handwritten signature in blue ink, appearing to read "J Lyman", is written over the printed name.

James Lyman  
Counsel

Enclosures: Securities Act Release No. 5310  
SEC Form 1662